

that was to enable us to do the large amount of business which follows the reduction of rates. I have facts before me which bear out the statement that we have regularly reduced the rates whenever we were able to do so.

The duration of the different tariffs, beginning July 28th, 1866, was as follows:—

For ten words—

£	s.	d.					
20	0	0	.	.	.	.	3 months, 4 days.
10	0	0	.	.	.	.	1 year, 1 month.
5	5	0	.	.	.	.	9 months.
3	7	0	.	.	.	.	9 months.
2	0	0	.	.	.	.	2 months, 9 days.
1	10	0	.	.	.	.	1 year, 4 months.
3	0	0	.	.	.	.	6 months, 19 days.
2	0	0	.	.	.	.	7 months.

The reason of the rise from 1*l.* 10*s.* to 3*l.* is interesting. It happened that for a time two out of the three cables were interrupted, and the press of business was so immense that in deference to the wishes of commercial men, who found that their messages could not get through, the rate was raised in order to check business. Very soon after, when the cables were repaired again, it was reduced to 2*l.*, which was 10*s.* higher than it had been before the interruption referred to. This rate lasted seven months. *On the 1st of May, 1872, the word rate was adopted*, a change which involved a considerable sacrifice of revenue, amounting to 30,000*l.* during last year. In short, we have reduced our rates slowly, taking care not to do so until we had ample means for carrying the additional traffic certain to be created by a lower rate.

Hon. Mr. SCOTT—What was the tariff of the French cable?

Lord W. HAY—The tariff of the French cable was exactly the same as ours. The Hon. Mr. Scott is perhaps correct in saying that public competition is the best way; I only hope that it may prove to be so. But foreign Governments have not arrived at this conclusion, and I shall show in a moment that the policy of most countries is rather opposed than otherwise to competition in respect to cable business.

Hon. Mr. SCOTT—Did not the French cable send messages for less?